

017 - COUNTY EXECUTIVE OFFICE

Operational Summary

Mission:

The mission of the County Executive Office (CEO) is to support and implement Board policy and direction through corporate direction and leadership, communication and coordination of strategic and regional planning and to ensure effective service delivery through efficient management of the County's workforce and resources.

Strategic Goals:

- Goal 1: Facilitate, support and ensure the implementation of decisions by the Board of Supervisors.
- Goal 2: Improve County government's effectiveness in addressing community issues and needs.
- Goal 3: Ensure the financial strength and integrity of the County of Orange.
- Goal 4: Preserve and advance the interests of the Orange County community by working with other levels of government and by ensuring regional issues and needs are addressed.

Key Outcome Measures:

Performance Measure	2001 Business Plan Results	2002 Business Plan Target	How are we doing?
BOARD RATING OF CEO SUPPORT What: Board Members rate quality of support provided by CEO Why: To provide CEO with feedback on quality of support provided to the Board	Development of survey instrument	Overall satisfaction of the Board	New measure
AGENCY/DEPARTMENT RATING VALUE OF CEO'S STRATEGIC, FINANCIAL, TECHNOLOGY AND HUMAN RESOURCES SUPPORT What: Feedback on agency/department assessment of CEO's strategic, financial, technology and HR support Why: To measure the effectiveness of leadership and services provided by the CEO to agencies/departments	Develop survey instrument	Overall satisfaction with CEO/Strategic Affairs, Finance, Information and Technology and Human Resources value to agency/department ability to address community issues and needs	New measure
COUNTY OF ORANGE CREDIT RATINGS What: Ratings by major bond rating companies (Moody's, S&P, Fitch) Why: Credit ratings are indicative of financial credit worthiness	For FY 01-02, Moody's maintained the County's rating of Aa2. Fitch's rating was Aa- and S & P's rating moved from A to A+	To be determined	Moody's upgrade to Aa2 was the highest County credit rating ever

At a Glance:

Total FY 2001-2002 Projected Expend + Encumb:	20,602,856
Total Recommended FY 2002-2003 Budget:	23,660,338
Percent of County General Fund:	0.97%
Total Employees:	130.00

Key Outcome Measures: (Continued)

Performance Measure	2001 Business Plan Results	2002 Business Plan Target	How are we doing?
COUNTY PROPOSED BUDGET CONSISTENCY, MEASURED IN DOLLARS AND PROJECTS, TO STRATEGIC FINANCIAL PLAN What: Indicates extent to which departments consider SFP in developing programs/budget Why: The annual budget implements the first year of the SFP requiring the two to be consistent	The FY 01-02 Strategic Financial Plan (SFP) was \$455 million for 15 projects. The budget was approx. \$455 million for 15 projects. A 16th project is planned but the scope of work needs clarification for funding identification	The Strategic Financial Plan (SFP) for FY 02-03 is \$524 million and 15 projects	The budget was approximately \$455 million with 15 strategic priorities. The 01-02 Budget was within \$400,000 of the plan amount, and all 15 of the planned projects were funded
LOCAL GOVERNMENT RATINGS OF REGIONAL SERVICES AND COORDINATION PROVIDED BY THE COUNTY What: Feedback on percent of local government officials who positively rate Orange County CEO leadership Why: Provides CEO with an indicator of the quality of leadership the office is providing to the community	Develop survey instrument	Overall ratings of County leadership by local government officials	New measure
LEGISLATIVE AGENDA SATISFACTION What: Agencies/departments satisfaction with the CEO's legislative agenda and results Why: Provides CEO a measure of success in defining legislative agenda and achieving favorable results	Develop evaluation document	Overall satisfaction of agencies/departments with CEO's efforts to define and achieve acceptable outcomes for Orange County with the legislative agenda	Continue to build collaborative relationships with Board, public/private sector colleagues, in order to enhance knowledge base and County influence in legislative process

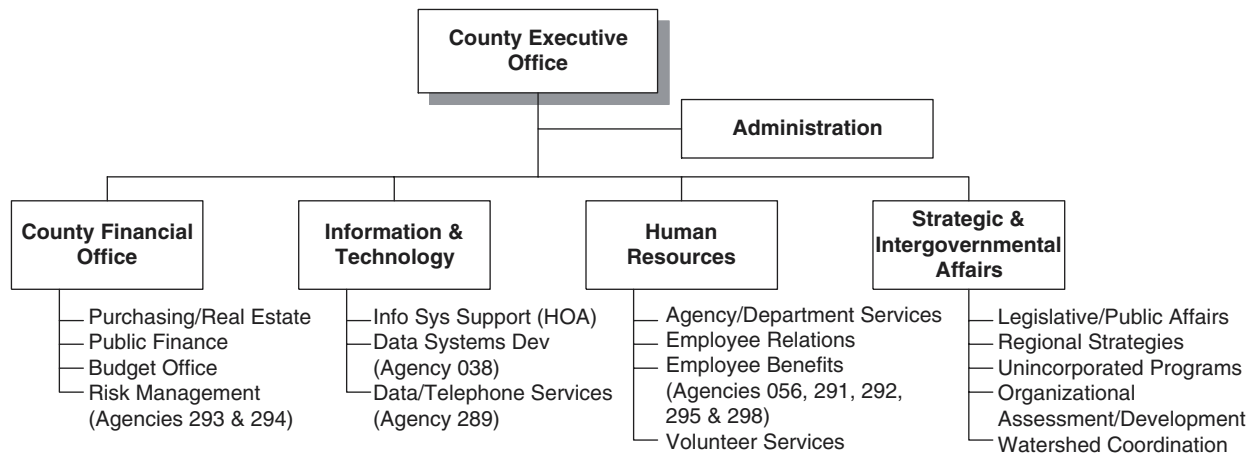
Fiscal Year FY 2001-2002 Key Project Accomplishments:

- Goal 1:
Support the Board in developing and implementing long-term priorities for the County of Orange
- During 2001, the CEO realized a number of accomplishments in this area. In April, Moody's Investor Service upgraded the County to its highest rating ever, from Aa3 to Aa2. In October, the Board adopted the 2002 Strategic Financial Plan that appropriately recognized a very uncertain short-term economic outlook with no additional funds available for any new strategic priorities. In response, the CEO identified, with Board concurrence, four critical unfunded strategic priorities (emergency communications system, jail fire safety, clean watersheds and beaches, Proposition 36 drug treatment programs) that were accommodated using non-General funds and by delaying certain other capital and operating costs. In addition, the Board continued to support its long-term vision for its previously funded and non-General Fund priorities such as affordable housing, reduced County debt, voting system replacement, senior care, child welfare services, jail expansion, and several other significant projects.
- Goal 2:
Continue to develop, implement and communicate the County's Corporate Management System
- Both the Strategic Financial Plan and the agency/department Business Plan components of our Corporate Management System have become integral parts of County efforts to identify both current and future priorities, as well as developing strategies for accomplishing those priorities. The Results Orientated Government or performance measurement component has received increased attention in this years business planning process, and will continue to be a major project during 2002 as the CEO works with agency/departments in refining the outcome measures used to gauge performance. In regard to the County's Pay for Performance plans, the Performance Incentive Plan (PIP) has now been successfully implemented and is an integral part of the compensation package for non-management employees. The Management Pay for Performance (MPP) plan has concluded its second year and is being reviewed to ensure the strategic link between management performance and organizational effectiveness. Lastly, the Communications component was advanced by a variety of successful media campaigns and a new web site.
- Goal 3:
Support the Board in developing and actively pursuing the County's legislative platform

- The CEO developed and the Board approved the Orange County legislative platform for 2002. In addition, staff worked toward influencing legislation in a number of areas during 2001, including securing additional funding for the Santa Ana River Mainstem project, the Surfside-Sunset-Newport Beach Replenishment project, and several Army Corps of Engineer general investigation projects. In addition, the County's Continuum of Care program for the homeless was awarded an \$8.7 million Federal grant, and the Criminal Alien Assistance program remained intact.
- Goal 4:
Integrate and coordinate regional County planning efforts to ensure delivery of quality services
- CEO staff provides for the coordination of a number of significant regional projects and services. During 2001, the CEO had considerable impact on a number of major issues, a sampling of which includes:
 - Coordination of the assessment and implementation of changes to the County Registration & Elections system
 - Creation of CEO Watershed and Child Care Coordination functions
 - Continuation of County external restructuring efforts aimed at community revitalization and annexation/incorporation of County islands
 - Development of partnerships that expanded and enhanced Orange County's Continuum of Care system for the homeless, gaining \$15 million in Federal, State, and local funding
 - Development of several new affordable housing projects
 - Creation of a new International Business Development function promoting trade and business opportunities with foreign governments and businesses
 - Redistricting of political boundaries based on the 2000 Census
 - Board approval of the State required Transition Plan and Ordinance establishing a new Child Support Services Department effective July 2002
 - Reconstitution of the Orange County Criminal Justice Coordinating Council to address the impacts of Proposition 36 drug treatment programs and other criminal justice matters
 - Revision of the County Web site home page
- Goal 5:
Provide leadership and services in the development of the County's human resource, technology, financial, and administrative infrastructure
- The CEO made significant progress toward the accomplishment of this goal in 2001. These efforts were recently recognized in a national study of county governments performed by Syracuse University for Governing Magazine. The results ranked the County of Orange among the top 13 of the nation's best managed counties; and received the second highest rating in California. Specific accomplishments this past year include the assessment and acquisition of additional resources for the Area Agency on Aging, successful negotiation of all labor contracts, employee benefit package enhancements, transitioning to a new ten-year contract for county-wide information technology services, and improvement of the County Business Plan process.
- Goal 6:
Continue to integrate and strengthen management and internal services within the CEO
- In 2001, the CEO had a number of accomplishments in this area:
 - Conduct of a Control Self Assessment with the assistance of the County Internal Auditor to identify and address office strengths and weaknesses
 - Coordination and implementation of Hall of Administration building security modifications

- Creation of an Assistant to the CEO position responsible for tracking critical county-wide projects and strengthening the office's internal administrative structure and services

Organizational Summary



COUNTY EXECUTIVE OFFICE - The County Executive Office (CEO) is the executive branch of Orange County government. The CEO is responsible for providing leadership, vision, and a knowledge of emerging trends and issues for the purpose of supporting and implementing Board policy, and to ensure that the County of Orange is operated in an efficient, accountable, and responsive manner. The County Executive Officer provides direction to all County agency/department heads directly assigned to him, and provides administrative oversight to those department heads that report directly to the Board.

COUNTY FINANCIAL OFFICE - Provides leadership and manages the overall financial operations of the County. Major responsibilities include long range strategic financial planning, public finance, risk management, budget, corporate business planning, corporate purchasing and real estate support.

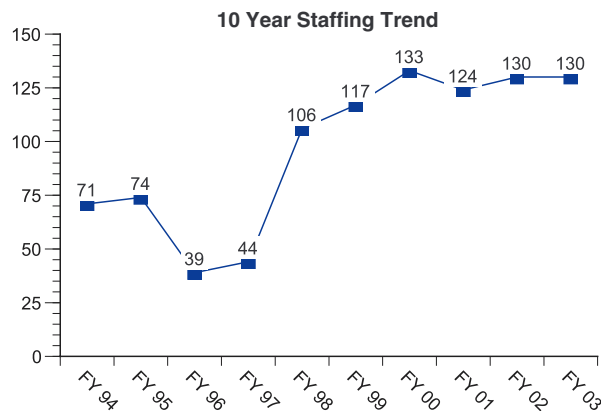
INFORMATION & TECHNOLOGY - Provides leadership in the planning and implementation of corporate information technology investments to achieve County goals and objectives. Major responsibilities include data center operations, wide and local area network operation and support, applications development and programming, and telephone services.

HUMAN RESOURCES - Provides leadership in change management, and in developing organizational design, best practices and people strategies that allow the County to attract, select, and retain business-required talent. Major responsibilities include labor contract negotiation and interpretation, development of human resource policy and program initiatives designed to encompass public/private best practice strategies, policy compliance auditing, benefits administration, and employee development and training programs.

STRATEGIC & INTERGOV AFFAIRS - Provides leadership in the planning and establishment of effective governance structures and relationships for the accomplishment of county corporate, as well as regional goals and objectives. Major responsibilities include coordination of all Federal and State legislative advocacy efforts, conducting organizational assessments, providing oversight and coordination of

a number of critical regional issues (e.g., watershed, child care, homelessness, annexation/ incorporations), and administering the Orange County Development Authority, the Comprehensive Economic Development Strategy, and the Office of Protocol and tourism activities.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- FY 97/98 - As a result of County restructuring, the Office of Human Resources (HR), Purchasing, Real Estate, and the Records Management Program (Record Center), and an accompanying 62 positions, merged into the County Executive Office. Prior to FY 97/98, the Office of HR was an independent operating agency, and Purchasing, Real Estate, and the County Records Center were divisions within General Services Agency, which was disbanded during the restructuring process.
- FY 98/99 - Positions were increased to support strategic priorities and other activities, such as Real Estate, Homeless Issues Coordination, and El Toro Master Development Program. This included position transfers from other operating agencies, i.e., PF&RD and HCD, to the CEO, as well as some limited-term positions.
- FY 99/00 - Positions were increased to support strategic priorities. This included a position transfer from SSA, ongoing program support conversions from extra help to regular, and limited-term positions to support the El Toro Master Development Program.
- FY 00/01 - Positions decreased as limited-term positions related to El Toro MCAS were deleted.
- FY 01/02 - One position was added to Human Resources for clerical support of the Volunteer Program and virtual employment center. Two long term extra help positions were converted to regular positions; one for

Strategic Affairs to support Media Relations and one to support CEO Administration. Four positions were transferred in from Data Systems to support the Hall of Administration. In the Final Budget one additional position was added in Purchasing to jointly support both Children and Families Commission and the LRA. Mid year, in 00-01, four positions were transferred from CEO to the Local Redevelopment Authority and two positions were added for the Watershed Program and child care coordination.

- FY 02/03 - One position was transferred to Housing and Community Development for coordination of homeless issues. And one position was transferred in from Information and Technology ISF to provide purchasing support.

Budget Summary

Plan for Support of the County's Strategic Priorities:

The County Executive Office will lead the Board's strategic planning process, update the Strategic Financial Plan and continue development and implementation of the County's Corporate Management System, integrate and coordinate regional planning efforts, provide leadership in the development of the County's human resources, technology, financial and administrative functions, and support the Board in developing and pursuing the Orange County Legislative Platform.

Changes Included in the Recommended Base Budget:

Revenue for FY 02-03 includes \$75,000 in new revenue proposed from the Children & Families Commission for the Community Indicators Program and Childcare Coordinator and an increase of \$30,000 for charges to Orange County Development Authority for services.

Expenses reflect an overall increase primarily due to an increase in salaries and benefits appropriations. This is due to a reduction in vacancies and the vacancy rate applied to appropriations for approved positions from 13.16% in FY 01-02 to 5.38% for FY 02-03, affecting salaries, retirement and insurance costs. CEO includes \$100,000 in funding for

Business Plan performance surveys in the three areas of local government, internal County agencies and external customers' satisfaction. CIO Information and Technology includes \$300,000 for funding of the Board approved tuition reimbursement program for all County wide IT positions. Human Resources includes funding an additional \$75,000

for annualizing the costs of the Board approved Employee Recognition program. Strategic & Intergovernmental Affairs includes funding of \$75,000 for watershed membership in Southern California Coastal Water Research Project and \$90,000 to supplement the Fats, Oils & Grease studies.

Proposed Budget and History:

Sources and Uses	FY 2000-2001 Actual	FY 2001-2002 Final Budget	FY 2001-2002 Projected ⁽¹⁾	FY 2002-2003 Recommended	Change from FY 2001-2002 Projected	
					Amount	Percent
Total Positions	-	130	-	130	0	0.00
Total Revenues	3,466,782	2,527,811	2,581,308	2,704,466	123,158	4.77
Total Requirements	14,406,151	20,590,675	22,091,851	23,660,338	1,568,486	7.10
Net County Cost	10,939,369	18,062,864	19,510,543	20,955,872	1,445,328	7.41

(1) Requirements include prior year encumbrances and expenditures. Therefore, the above totals may not match FY 2001-2002 projected requirements included in "At a Glance" (Which exclude these).

Detailed budget by expense category and by activity is presented for agency: County Executive Office in the Appendix on page 569.

Budget Units Under Agency Control

No.	Agency Name	County Executive Office	County Financial Office	Information & Technology	Human Resources	Strategic & Intergov Affairs	Total
004	Miscellaneous	0	183,091,324	0	0	0	183,091,324
016	Recovery Cop Lease Financing	0	66,207,114	0	0	0	66,207,114
017	County Executive Office	3,465,275	6,297,937	1,739,735	5,481,673	6,675,718	23,660,338
019	Capital Acquisition Financing	0	8,993,109	0	0	0	8,993,109
023	Office Of Protocol & International Business Dvlp	0	0	0	0	464,612	464,612
036	Capital Projects	0	52,414,765	0	0	0	52,414,765
038	Data Systems Development Projects	0	0	18,409,626	0	0	18,409,626
056	Employee Benefits	0	0	0	6,941,016	0	6,941,016
081	Trial Courts	0	68,880,589	0	0	0	68,880,589
099	Provision For Contingencies	0	5,000,000	0	0	0	5,000,000
104	Criminal Justice Facilities - ACO	0	9,759,863	0	0	0	9,759,863
105	Courthouse Temporary Construction	0	4,551,626	0	0	0	4,551,626
135	Real Estate Development Program	0	173,954	0	0	0	173,954
13A	Litigation Reserve Escrow	0	183,796	0	0	0	183,796
13J	Children'S Waiting Room Fund	0	398,297	0	0	0	398,297
13L	Telecommunications 2001 Equipment Fund	0	0	2,367,000	0	0	2,367,000
13N	OC Tobacco Settlement Fund	0	50,450,398	0	0	0	50,450,398

Budget Units Under Agency Control

No.	Agency Name	County Executive Office	County Financial Office	Information & Technology	Human Resources	Strategic & Intergov Affairs	Total
14B	County Public Safety Sales Tax Excess Revenue	0	36,688,076	0	0	0	36,688,076
14F	Deferred Compensation Reimbursement (Ceo)	0	0	0	7,765,791	0	7,765,791
14L	Local Law Enf Block Grant	0	350,598	0	0	0	350,598
14N	Superior Court ICMS Phase III Acquisition	0	0	0	0	0	0
14S	OC Children & Families Commission	0	0	0	0	0	0
14U	Court Facilities Fund	0	2,972,516	0	0	0	2,972,516
14V	Debt Prepayment Fund	0	94,723,000	0	0	0	94,723,000
14X	Tobacco Settlement Fund	0	2,172,000	0	0	0	2,172,000
14Y	Indemnification Reserve	0	1,183,456	0	0	0	1,183,456
14Z	Litigation Reserve	0	3,259,216	0	0	0	3,259,216
15C	Theo Lacy Jail Construction	0	31,933,439	0	0	0	31,933,439
15J	Pension Obligation Bonds Debt Service	0	184,725,521	0	0	0	184,725,521
15P	Refunding Recovery Bonds	0	53,122,588	0	0	0	53,122,588
15R	Debt Reduc/Future Essential Operating Requirements	0	274,547	0	0	0	274,547
15S	Designated Special Revenue	0	54,861,886	0	0	0	54,861,886
289	Information & Technology ISF	0	0	48,197,234	0	0	48,197,234
291	Unemployment ISF	0	0	0	4,740,108	0	4,740,108
292	County Indemnity Health ISFISF	0	0	0	60,278,157	0	60,278,157
293	Workers' Compensation ISF	0	35,827,911	0	0	0	35,827,911
294	Property & Casualty Risk ISF	0	34,466,112	0	0	0	34,466,112
295	Retiree Medical ISF	0	0	0	46,271,424	0	46,271,424
298	Self-Insured Benefits ISF	0	0	0	6,738,808	0	6,738,808
599	OC Special Financing Authority	0	150,495,426	0	0	0	150,495,426
9A0	Public Financing Program (Pgm III)	0	68,842,163	0	0	0	68,842,163
9B0	Public Financing Program (Pgm V)	0	120,088,197	0	0	0	120,088,197
9C0	Public Financing Program (Pgm VI)	0	252,885,524	0	0	0	252,885,524
Total		3,465,275	1,585,274,948	70,713,595	138,216,977	7,140,330	1,804,811,125